

CO-SPONSORSHIP MEMORANDUM

TO: All Legislators

FROM: Representatives Jesse Kremer, Romaine Quinn and Senator Duey Stroebel

DATE: Wednesday, January 27, 2016

RE: Co-sponsorship of LRB-4539/1 relating to motor vehicle event data recorders, prohibited insurance practices related to accessing or using information collected by event data recorders, and providing a criminal penalty.

SHORT DEADLINE: Monday, February 1 at 4 p.m.

Event data recorders, commonly known as “black boxes,” record technical information about a vehicle’s operation in relation to an event, such as an accident. Over 96 percent of all new cars on the road today contain a black box. In 2006, the National Highway Transportation Safety Administration (NHTSA) created an EDR rule standardizing the data that EDRs in vehicle model years 2013 and newer must collect. A list of the collected data points, along with other EDR facts, is included in the attached NHTSA fact sheet.

In addition to EDR data, your vehicle also records other information concerning vehicle operation and driving habits via onboard diagnostic and infotainment centers. This bill covers all data collected by these systems and limits access to the owner’s written consent in most cases. As EDRs develop in complexity and interactivity, this legislation will ensure that Wisconsin’s motorists are sufficiently protected from unauthorized data access and transmission.

The bill will also prohibit insurance companies from making release of, or access to EDR data a condition of insurance. The Wisconsin Department of Transportation will also be required to incorporate EDR information into the [Wisconsin Buyer’s Guide](#) for purchasers of used vehicles.

This bill is being circulated at the request of ABATE.

To be added as a co-sponsor, please contact Rep. Kremer’s office at 6-9175, Sen. Stroebel’s office at 6-7513 or reply to this email by Monday, Feb. 1 at 4 p.m.

Analysis by the Legislative Reference Bureau

This bill regulates the use of event data recorders (EDRs) in motor vehicles and prohibits certain insurance practices on the basis of whether an insured under a motor vehicle liability insurance policy authorizes the insurer to access or use information collected by an EDR.

This bill prohibits, with certain exceptions, any person from accessing, collecting, or transferring information stored on an EDR installed in a motor vehicle unless the person discloses the intended use of the information and receives the written consent of an owner of the vehicle. A person who violates the

disclosure requirements or the prohibition on access, collection, or transfer of EDR information may be required to forfeit not less than \$200 nor more than \$2,000.

Also under this bill, the Department of Transportation (DOT) must require a statement as to whether the vehicle is equipped with an EDR to be displayed on any guide DOT requires to be displayed on used motor vehicles displayed or offered for sale by a motor vehicle dealer.

The bill prohibits an insurer from conditioning the issuance or renewal of a motor vehicle liability insurance policy on whether the insured vehicle or vehicle to be insured is equipped with an EDR or whether, if it is so equipped, the insured or applicant for insurance authorizes the insurer to access or use information collected by the EDR. The bill also prohibits an insurer from canceling a motor vehicle liability insurance policy, excluding or limiting coverage under a motor vehicle liability insurance policy, or denying a claim under a motor vehicle liability insurance policy, on the basis of whether the insured vehicle is equipped with an EDR or whether, if it is so equipped, the insured authorizes the insurer to access or use information collected by the EDR. The bill makes an exception from these prohibitions for a usage-based motor vehicle liability insurance policy, which is an insurance policy for which the premium is based on the active, digital monitoring of how the insured drives.